

Item 8.01: Other Events

July 2, 2009 – At a special meeting held on July 2, 2009, a majority of the members of Vestin Fund III, LLC (the “Fund”) voted to approve the dissolution and winding up of the Fund, in accordance with the Plan of Complete Liquidation and Dissolution (the “Plan”) as set forth in Annex A of the Fund’s proxy statement mailed to members on or about May 11, 2009. The Plan became effective upon its approval by the members on July 2, 2009. As a result, we will commence an orderly liquidation and we will no longer invest in new loans. As set forth in the proxy statement, we anticipate that the liquidation will be substantially complete by August 31, 2014. Pursuant to the Plan, we will make liquidating distributions to members on a quarterly basis as funds become available, subject to any reserve established by our manager. Members will no longer have the right to have their units redeemed by us and we will no longer honor any and all outstanding redemption requests effective as of July 2, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VESTIN FUND III, LLC

By Vestin Mortgage, Inc., its sole manager

Date: July 2, 2009

By /s/ Rocio Revollo
Rocio Revollo
Chief Financial Officer of the Manager